

**MINUTES
REGULAR MEETING
RETIREMENT BOARD OF TRUSTEES
EMPLOYEES' RETIREMENT SYSTEM OF THE
CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE
10:00 A.M, THURSDAY, FEBRUARY 24, 2022
222 ST. LOUIS STREET, 3RD FLOOR – METROPOLITAN COUNCIL CHAMBERS
BATON ROUGE, LA 70802**

Call to Order and Roll Call

The items listed on the Agenda are incorporated and considered to be a part of the minutes herein.

The meeting was called to order at 10:05 a.m. by Chairman J. Daniels. Mr. Drago formally called the roll.

Board Trustees present: J. Daniels, Linda Hunt, Chief Britt Hines, Lieutenant Matt Johnson, Brian Bernard, Mark LeBlanc

Board Trustees members absent:

Staff present: James Mack, Kyle Drago, Mark Williams, Aisha Mirza, Salli Withers

Others present and acknowledged: Denise Akers, Shelley Johnson

The chairman asked if there was any public comment and there was none.

1. READING AND APPROVAL OF MINUTES

The chairman opened with Item 1A, and noted minutes being considered for approval were from the regular meeting on January 16, 2022. A motion by Mr. Bernard, seconded by Mr. Leblanc to suspend the reading of and approve the minutes. Motion passed with no objections.

The chairman moved to Item 1C, the investment committee meeting minutes being considered for approval. A motion by Mr. Leblanc, seconded by Ms. Hunt to suspend the reading of and approve the minutes. Motion passed with no objections.

2. DISABILITY - (THIS ITEM MAY BE DISCUSSED IN EXECUTIVE SESSION)

There were no disability items to discuss.

3. BENEFITS REPORT

The chairman moved to Item 3, Mr. Williams discussed the benefits report and that there was nothing special about this month but noted a large transfer from LASERS. Motion by Mr. Leblanc seconded by Mr. Hines to approve the report as presented. No discussion and motion passed with no objections.

4. DROP NOTIFICATIONS REPORT

The chairman moved to Item 4, Mr. Williams presented the DROP notification report and the report was in order as presented. Mr. Williams noted no was motion needed as this item is informational.

**5. CONSULTANTS' REPORTS
(LEGAL, ACTUARIAL, INVESTMENT)**

The chairman introduced item 5A and called upon Ms. Akers to present an update on all pending legal matters. Ms. Akers presented an update on the ongoing securities litigation cases; namely that MacroGenics litigation had no change from last update; Green Sky litigation had no changes from last update; Impinj litigation has a settlement and we will be receiving the 1st disbursement; Energy Transfer litigation discovery was continuing until the end of December 2022 and a motion for class certification was going to be filed and lastly, Merit Medical litigation was having the final paperwork approved the upcoming week.

Ms. Akers continued to report on the draft of the proposed ordinance which included the payroll effective date. She stated the draft was ready to be voted on.

Ms. Akers then reported that there were a couple of legislative bills in the upcoming Legislative Session that CPERS and the board needed to watch for as one could impact causing increased employer contribution rates; another bill (HB 25) could impact all retirement systems by adding prohibitive language on investments and the last bill HB34 if passed would provide a new exception to the Open Meetings Law.

Ms. Akers recommended the Board do a board resolution, if they feel so passionately opposing HB25, which would allow Mr. Mack to represent CPERS at the Legislature to formally oppose and speak on it. Mr. Mack then provided background information on the details surrounding HB 25. Mr. Leblanc stated that he would like a record of CPERS opposing the bill.

Motion was made by Mr. Leblanc and second by Chief Hines to formally go on record opposing HB25 and allowing Mr. Mack to represent the board in doing so. Ms. Akers will draft the resolution.

The chairman noted there were no pending actuarial matters, moved on to item 5C and called upon Mr. Mack for an update on the investment portfolio findings for the month of January. Mr. Mack discussed the general economy during the month of January and specifically how the portfolio fared during the month. Mr. Mack noted that while January was very volatile there are still anticipated pullbacks during the current month.

6. COMMITTEE REPORTS

The chairman thanked Mr. Mack and moved on to Item 6B. Mr. Leblanc presented the Investment Committee meeting recap; it was a good year for CPERS and overall was able to beat the set benchmark. On the PGT side, Mr. Leblanc reported that the benchmark had also been met so it was quite good for both. Andco recommended moving Blackrock multi asset to Evanston and the committee by a motion of Mr. Leblanc and second by Ms. Hunt approved.

Mr. Leblanc reported that the committee is considering hiring AQR as a new money manager and once the interview is complete the committee will make a recommendation to the Board.

Lastly, the chairman asked Mr. Leblanc to recap the discussion of Pension Obligation Bonds to the board. Mr. Leblanc reported there has been two presentations made to the Finance Director and there are ongoing discussions and Mr. Mack will be a part of that.

7. STAFF REPORTS

The chairman moved on to 7B and called upon Mr. Drago to give the board a review of any statements and invoices, as well as the budget report. Mr. Drago reviewed the legal invoices, budget report, and investment manager fee report was in the board packets and referred the board to the synopsis. Mr. Drago noted a motion was necessary to pay the outstanding invoices. The chairman called for a motion to pay the outstanding legal invoices. Motion by Lt. Johnson, second by Chief Hines. No discussion and motion was passed without objections.

Mr. Drago moved onto 7C and stated there were two actuarial invoices to be paid and that a motion to approve was all that was needed to pay. Motion by Mr. Leblanc to approve and pay the invoices and second by Lt. Johnson. Motion was passed without objections.

Mr. Drago stated that 7D was informational only without any need for approval.

Moving on to 7E, Mr. Drago stated there was nothing to add on the budget report and it was just for the board's review.

8. UNFINISHED BUSINESS

The chairman introduced Item 8A and Ms. Hunt started off the discussion regarding where we currently stand on the retirement ordinance language updates. Ms. Hunt stated she would like to have a number 7 added to the Memorandum that accompanied the proposed ordinance changes to Metro Council. By adding number 7 would explain to employers that they are going to have to start contributing to retirement on part-time rehire retirees currently employed and future return to work employees at the beginning of the next quarter and that employers will start contributing on employees entering the DROP program after the ordinance changes are accepted. Ms. Akers clarified that there was no fundamental changes to what was previously agreed upon in the proposed ordinance language and the only new language was to further clarify on the Metro Council memorandum.

The chairman called for a final vote to approve the revised ordinance language and submit it to Metro Council for enactment.

Ms. Hunt abstained from voting stating that she agrees CPERS needs to be in IRS compliance, this language however is beyond the requirements and she sees value in the return to work program as there is a national employment crisis.

Mr. Leblanc echoed Ms. Hunt's reasoning in wanting to be IRS compliant but felt the language is trying to dictate policy to employers. He further stated that he cannot vote for something he does not support and voted no to approve the revised ordinance language.

Mr. Daniels made a motion to pass the additional language to the Metro Council memo per Ms. Hunt, second by Mr. Bernard and the language was approved to be added to the Metro Council memo.

The chairman moved to Item 8B, Trustee education. Mr. Mack discussed the state mandates in terms of required education for trustees. Mr. Daniels suggested that members review the handouts in the packet and the board can take a census about doing in person education and the amount required later on.

Ms. Johnson provided further what other systems require of their trustees for educating board members.

The chairman moved onto 8C, CPERS membership qualifications and error corrections wherein Mr. Mack updated the board regarding two members who are currently members but should have been transferred into the State Firefighters System. There is legislation on how to correct the erroneous membership. Ms. Akers drafted an opinion that was provided to the board to the same effect.

The chairman moved onto 8D, Mr. Mack provided an update on the pension software in that he is still doing research and contacting other systems to see what might be the best option. Mr. Leblanc offered to help Mr. Mack research additional options.

9. NEW BUSINESS

The chairman moved onto 9A, investment consultant updates. Mr. Mack shared with the board that going forward consultants will make quarterly presentations to the full board rather than just the investment committee.

The chairman moved onto 9B, board resignation and election updates. He informed the board that Mr. David West as an employee representative has resigned effective February 16, 2022. Due to there now being a vacancy, the election committee needs to be appointed. The chairman appointed Lt. Johnson and Chief. Hines to be on the election committee and asked for Mr. Bernard to chair the committee again.

Mr. Daniels formally thanked Mr. West for all of his time and service to the board and commitment to the members' best interest.

10. ADMINISTRATIVE MATTERS

The chairman moved to item 10, Administrative matters. Mr. Mack introduced Ms. Aisha Mirza as the newly hired assistant director.

Mr. Mack continued onto 10B to advise the board that a board resolution to include Ms. Mirza as an authorized signator. Mr. Leblanc motioned to approve the signature resolution and second by Lt. Hines. The motion was approved with no objection.

Next onto 10C, Mr. Mack discussed the proposed board charter for the trustees to review and make edits.

11. POLICE GUARANTEE TRUST MATTERS

The chairman moved on to Item 11. Mr. Williams gave a synopsis of the PGT DROP notifications report and the benefits report. Motion by Mr. Johnson and second by Mr. Johnson to approve without objections.

The chairman moved to 11B and Mr. Williams stated there was nothing to report.

Onto 11C, Mr. Mack reported that the PGT flash report is the same sentiment as the flash report in the main trust fund but that in January it was down 3.46%.

Mr. Drago presented 11D, the PGT budget, for informational purposes, and asked if there were any questions.

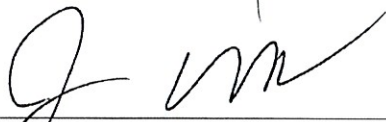
The chairman noted there was no new business, unfinished business or administrative matters. The chairman asked if and noted there were no public comments.

Adjourn

The chairman asked for a motion to adjourn. A motion was made by Mr. Leblanc, second by Lt. Hines. No objection, motion carried.



J. DANIELS
CHAIRMAN, RETIREMENT BOARD OF TRUSTEES



JAMES A. MACK
RETIREMENT ADMINISTRATOR